



DONALD H. BLEVINS
Chief Probation Officer

COUNTY OF LOS ANGELES PROBATION DEPARTMENT

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ADOPTED

BOARD OF SUPERVISORS
COUNTY OF LOS ANGELES

#51 MAY 18, 2010

Sachi A. Hamai
SACHI A. HAMAI
EXECUTIVE OFFICER

May 18, 2010

The Honorable Board of Supervisors
County of Los Angeles
383 Kenneth Hahn Hall of Administration
500 West Temple Street
Los Angeles, California 90012

Dear Supervisors:

AUTHORITY TO AMEND CONTRACTS UNDER THE CONTRACT REDUCTION/EXTENSION INITIATIVE

(ALL SUPERVISORIAL DISTRICTS - 3 VOTES)

SUBJECT

Recommendation to authorize the Chief Probation Officer to amend six (6) contracts consistent with the County's Contract Reduction/Extension Initiative mandated by your Board on June 16, 2009.

IT IS RECOMMENDED THAT YOUR BOARD:

1. Approve and delegate authority to the Chief Probation Officer to execute contract amendments, upon approval as to form by County Counsel, to reduce the annual contract amounts and extend the contract terms, consistent with your Board's Contract Reduction/Extension initiative, effective 2009-2010 for a custodial contract with Corporate Business Services, Inc. (Corporate), two custodial contracts with Lee's Maintenance Services, Inc. (Lee's), an electronic monitoring contract with Group 4 Securicor, LLC. (G4S), and a Global Positioning Satellite (GPS) services contract with Sentinel Offender Services (SOS).
2. Approve and delegate authority to the Chief Probation Officer to execute a contract amendment to increase the administrative fee paid to the Probation Department by Sentinel Offender Services and extend the contract term consistent with your Board's Contract Reduction/Extension initiative, effective 2009-2010 for a contract to provide electronic monitoring services for adults.

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION

On June 16, 2009, your Board directed the Chief Executive Officer, working with the Internal Services Department (ISD), County Counsel, Auditor-Controller and other departments to develop parameters for a contract cost-savings initiative for existing contractors. Your Board also directed the Chief Executive Officer to provide all departments with a model letter to send to contractors by early July 2009, requesting that contractors reduce their rates in exchange for term extensions, without the need to undergo competitive bidding.

In early July 2009, departments, including the Probation Department (Probation), issued the model letter to each existing contractor that met certain specified criteria. Probation reviewed the offers submitted in response to the request, and solicited cost reduction offers in exchange for one-year and/or two-year contract term extensions. To date, your Board has approved contract amendments for several Probation contracts that extend the contract terms in exchange for cost reductions. Five additional contractors offered cost reductions or revenue enhancements of 8% without a change in the level of services required under their individual contracts. Further, in an effort to apply the Initiative equitably, each contractor was required, and agreed, to apply the 8% contract cost reduction / revenue enhancement retroactively effective October 1, 2009. Please refer to Attachment I for additional background on each of the contracts.

Implementation of Strategic Plan Goals

The recommended actions are consistent with Goal #1, Operational Effectiveness by helping to ensure the maintenance of critical services despite cyclical economic conditions.

FISCAL IMPACT/FINANCING

The proposed contract amendments are for Corporate, Lee's, G4S, and SOS. If approved, the estimated total annual savings to the County is \$12,653 for Corporate, \$28,559 for Lee's, \$39,464 for G4S, and \$6,000 for SOS for a total estimated net County cost savings of \$86,676 in FY 2009-10 and reflects an estimated net County Cost savings in fiscal years 2010-11 and 2011-12 of \$115,570 per year. The proposed contract amendment for the electronic monitoring contract with SOS will realize an estimated \$12,599 of additional revenue in FY 2009-10 and additional revenue in fiscal years 2010-11 and 2011-12 of \$16,799 per year for Probation.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS

This effort pertains to current contracts which were planned to be competitively rebid upon expiration, and for which a competitive solicitation process was not already underway. All contractors agreed to have the contract amended and have the cost reductions/revenue enhancements become effective October 2009. All contracts that are subject to the Living Wage Ordinance will continue to comply with the Living Wage Ordinance.

IMPACT ON CURRENT SERVICES (OR PROJECTS)

This effort is intended to produce cost savings in light of the fiscal challenges faced by the County. The proposed contract amendments should not have a negative impact on the level or quality of service provided to the County by the affected contractors.

CONCLUSION

Approval of the recommended actions will result in cost savings to Probation. The contract cost reductions / revenue enhancement will not impact the current level of services.

Respectfully submitted,

A handwritten signature in blue ink, reading "Donald H. Blevins". The signature is fluid and cursive, with the first name "Donald" being the most prominent.

DONALD H. BLEVINS
Chief Probation Officer

DHB:TH:ck

Enclosures

c: Executive Office/Board of Supervisors
County Counsel
Chief Executive Office

**Contract No. 1 – Corporate Building Services (Corporate) for Custodial Services at Barry J. Nidorf Juvenile Hall
(Contract #75165)**

Background

- The Board approved the current custodial services at Barry J. Nidorf Juvenile Hall contract with Corporate on January 4, 2005. The contract is currently in the final option period through July 31, 2010. The proposed two-year contract extensions will extend the term through July 31, 2012.
- Corporate provides custodial services to Barry J. Nidorf Juvenile Hall and Courts and Kenyon Juvenile Justice Center.
- The 8% decrease would result in an estimated annual savings amount of \$16,871.

Recommended Amendment/Fiscal Impact

Corporate has proposed an 8% reduction in exchange for a two-year contract extension. Probation is recommending a two-year extension beyond July 31, 2010, through July 31, 2012. An 8% retroactive cost reduction, effective October 1, 2009, would result in an estimated cost savings as follows:

FY09 – 10 (current term)	\$12,653
FY10 – 11 (1 st option)	\$16,871
FY11 – 12 (2 nd option)	\$16,871

**Contract No. 2 – Lee's Maintenance Services (Lee's) for Custodial Services at Los Padrinos Juvenile Hall
(Contract #75187)**

Background

- The Board approved the current custodial services at Los Padrinos Juvenile Hall contract with Lee's on February 1, 2005. The contract is currently in the final option period through July 31, 2010. The proposed two-year contract extensions will extend the term through July 31, 2012.
- Lee's provides custodial services to Los Padrinos Juvenile Hall and Courts and Crenshaw Area Office.
- The 8% decrease would result in an estimated annual savings amount of \$20,602.

Recommended Amendment/Fiscal Impact

Lee's has proposed an 8% reduction in exchange for a two-year contract extension. Probation is recommending a two-year extension beyond July 31, 2010, through July 31, 2012. An 8% retroactive cost reduction, effective October 1, 2009, would result in an estimated cost savings as follows:

FY09 – 10 (current term)	\$15,451
FY10 – 11 (1 st option)	\$20,602
FY11 – 12 (2 nd option)	\$20,602

Contract No. 3 – Lee's Maintenance Services (Lee's) for Custodial Services at 6 Field Area Offices (Contract #75199)

Background

- The Board approved the current custodial services at Los Padrinos Juvenile Hall contract with Lee's on February 15, 2005. The contract is currently in the final option period through July 31, 2010. The proposed two-year contract extensions will extend the term through June 30, 2012.
- Lee's provides custodial services to East Los Angeles, Facilities, Rio Hondo, Painter, Vermont, and Van Nuys Area Offices.
- The 8% decrease would result in an estimated annual savings amount of \$17,478.

Recommended Amendment/Fiscal Impact

Lee's has proposed an 8% reduction in exchange for a two-year contract extension. Probation is recommending a two-year extension beyond July 31, 2010, through July 31, 2012. An 8% retroactive cost reduction, effective October 1, 2009, would result in an estimated cost savings as follows:

FY09 – 10 (current term)	\$13,108
FY10 – 11 (1 st option)	\$17,478
FY11 – 12 (2 nd option)	\$17,478

Contract No. 4 – Group 4 Securicor, LLC (G4S) for Electronic Monitoring and Equipment Services (Juvenile) (Contract #75335)

Background

- The Board approved the current electronic monitoring contract with G4S on August 2, 2005. The contract is currently in the final option period through

August 31, 2010. The proposed two-year contract extensions will extend the term through August 31, 2012.

- G4S provides electronic monitoring equipment and services for juveniles throughout Los Angeles County.
- The annual contract amount fluctuates based upon usage. The 8% decrease would result in an estimated annual savings amount of \$52,619.

Recommended Amendment/Fiscal Impact

G4S has proposed an 8% reduction in exchange for a two-year contract extension. Probation is recommending a two-year extension beyond August 31, 2010, through August 31, 2012. An 8% retroactive cost reduction, effective October 1, 2009, would result in an estimated (estimates are based on full utilization of the maximum contract sum, actual savings will vary based upon actual utilization) cost savings as follows:

FY09 – 10 (current term)	\$39,464
FY10 – 11 (1 st option)	\$52,619
FY11 – 12 (2 nd option)	\$52,619

Contract No. 5 – Sentinel Offender Services, Inc. (SOS) for Global Positioning Satellite Services (Contract #76708)

Background

- The Board approved the current global positioning satellite (GPS) services contract with SOS on October 7, 2008. The contract is currently in the second option period (two one-year options remain) through October 31, 2010. The proposed two-year contract extensions will extend the term through October 31, 2014.
- SOS provides GPS services for probationers throughout Los Angeles County.
- The annual contract amount fluctuates based upon usage. The 8% decrease would result in an estimated annual savings amount of \$8,000.

Recommended Amendment/Fiscal Impact

SOS has proposed an 8% reduction in exchange for a two-year contract extension. Probation is recommending a two-year extension beyond October 31, 2010, through August 31, 2014. An 8% retroactive cost reduction, effective October 1, 2009, would result in an estimated (estimates are based on full utilization of the maximum contract sum, actual savings will vary based upon actual utilization) cost savings as follows:

FY09 – 10 (current term)	\$6,000
FY10 – 11 (1 st option)	\$8,000
FY11 – 12 (2 nd option)	\$8,000

Contract No. 6 – Sentinel Offender Services, Inc. (SOS) for Electronic Monitoring Services (Adult) (Contract #75631)

Background

- The Board approved the current electronic monitoring services contract with SOS on May 2, 2006. The contract is currently in the third option period (one one-year option remains) through May 31, 2010. The proposed two-year contract extensions will extend the term through May 31, 2013.
- SOS provides electronic monitoring services for adult probationers throughout Los Angeles County.
- This is a revenue contract wherein SOS pays Probation an administrative fee for each probationer referred to SOS. The annual contract amount fluctuates based upon usage. The 8% increase in the administrative fee paid to Probation would result in an estimated annual revenue increase of \$16,799.

Recommended Amendment/Fiscal Impact

SOS has proposed an 8% increase in the administrative fee in exchange for a two-year contract extension. Probation is recommending a two-year extension beyond May 31, 2010, through August 31, 2013. An 8% retroactive increase, effective October 1, 2009, would result in estimated (estimates are based on average monthly referrals for the past 12 months) additional revenue as follows:

FY09 – 10 (current term)	\$12,599
FY10 – 11 (1 st option)	\$16,799
FY11 – 12 (2 nd option)	\$16,799